REMARKS

In the Official Action mailed on **11 December 2008**, the Examiner reviewed claims 1-2, 5-22, and 25-40. Examiner rejected claims 1-2, 5-22, and 25-40 under 35 U.S.C. § 112. Examiner rejected claims 1-2, 5-22, and 25-40 under 35 U.S.C. § 103(a) based on Maritzen et al. (U.S. Patent No. 5,987,429, hereinafter "Maritzen"), and Bross et al. (U.S. Pub. No. 2003/0105687, hereinafter "Bross").

Rejections under 35 U.S.C. § 112

Applicant thanks the Examiner for the explanation of the rejection, and has amended the independent claims to address the ambiguity. Applicant respectfully submits that the amendment, as per the Examiner's recommendation, overcomes the rejection.

Rejections under 35 U.S.C. § 103(a)

In light of the amendments to the independent claims addressing the 35 U.S.C. § 112 rejection above, Applicant respectfully submits that all the limitations are now rendered definite and have patentable weight. Thus, Applicant respectfully reiterates the arguments from the response to the office action dated 14 November 2008 in this response:

Examiner rejected claims 1-40 under 35 U.S.C. § 103(a) based on Maritzen and Bross. Applicant respectfully disagrees.

Applicant respectfully submits that in embodiments of the present invention, when none of the sets of conditions are satisfied for a set of attributes, and **a tax rule is deemed to have not evaluated successfully**, then the system evaluates alternate tax rules (see paragraph [0009] and Figure 12 in the instant application). Thus, in Figure 12 of the instant application, the step sequence of

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1206 > 1207 > 1208 > 1210 > 1214 > 1212 > end occurs when a tax rule evaluates successfully, and this results in reaching the end of the method – no further rule evaluation is performed. When the tax rule does not evaluate successfully, then additional tax rules are evaluated in an order that is based upon a specified precedence ordering. The precedence ordering is explicitly specified (see paragraphs [0009] and [00127] and Figures 10 and 12 of the instant application).

The above limitation is expressed in dependent claims 3-4 as well as 23-24 in the instant application. Applicant respectfully notes that, with regard to dependent claims 3-4, the Examiner has asserted the following (see items 12 and 13 of the office action dated 8/21/2008):

    (i)   Maritzen discloses a method wherein if the tax rule does not apply to the transaction, and additional tax rules exist, the system of Maritzen attempts to apply the next tax rule in the order of precedence in Figures 4-5.

    (ii)   Maritzen discloses that the additional rules are applied in a sequence determined by the precedence ordering of the additional tax rules in Figures 2, 4-5.

Applicant respectfully disagrees. Specifically, in Figure 2, Maritzen discloses that the system searches through a hierarchy of rules entered into the database, and evaluation **proceeds successively through the hierarchy of rules** (see Maritzen, Figure 2, step 104, col. 6, lines 40-51), and evaluates each one that applies (see Maritzen, Figure 2, step 105). In Figure 5, Maritzen discloses that each of a set of rules in the rule base is evaluated **one by one**, whenever there are more tax rules present (see Maritzen, conditional step 118 of Figure 5). In Figure 4, Maritzen discloses that the database contains a tax/fee rules database as well as an "other fee" database. The "other fee" database contains other fees other than taxes such as contractual fee rules (see Maritzen, col. 6, lines 1-9).

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Applicant respectfully points out that in embodiments of the present invention, when a tax rules **fails to evaluate** successfully, **only then** the additional rules are evaluated based on a certain predefined precedence. In contrast, nowhere in the system of Maritzen, does it either specify or imply that when a tax rule fails to evaluate successfully, only then additional rules are evaluated in an established order of precedence.

Accordingly, Applicant has amended independent claims 1 and 21 to render definite the limitation that when the evaluated tax rule does not apply to the transaction and additional tax rules exist, the method further comprises applying the next tax rule in a specified order of precedence. These amendments find support in paragraphs [0009] and [000127], as well as Figures 10 and 12, of the instant application. No new matter has been added.

Hence, Applicant respectfully submits that independent claims 1 and 21 as presently amended are in condition for allowance. Applicant also submits that claims 2 and 5-20, which depend upon claim 1 and claims 22 and 25-40, which depend upon claim 21, are for the same reasons in condition for allowance and for reasons of the unique combinations recited in such claims.

CONCLUSION

It is submitted that the application is presently in form for allowance. Such action is respectfully requested.

Respectfully submitted,

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